

1                                    AMENDMENT TO HOUSE BILL 2571

2            AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2571 by replacing  
3 the title with the following:

4            "AN ACT concerning coal."; and

5 by replacing everything after the enacting clause with the  
6 following:

7            "Section 1. Short title. This Act may be cited as the  
8 Illinois Coal Mining and Electric Generation Act.

9            Section 5. Findings. The General Assembly finds that:

10            (1) Illinois coal is an abundant resource and an  
11 important component of Illinois' economy whose use should be  
12 encouraged to the greatest extent possible consistent with  
13 protecting human health and the environment.

14            (2) The development of energy policies to promote a  
15 safe, sufficient, reliable, and affordable energy supply on  
16 the State and national level is being affected by the  
17 on-going deregulation of the power generation industry and  
18 the evolving energy markets.

19            (3) The Governor's formation of an Energy Cabinet and  
20 the development of a State energy policy indicates the need  
21 for increased generation capacity to meet future needs for

1 electricity.

2 (4) Efforts on the State and federal levels are underway  
3 to consider the multiple environmental regulations affecting  
4 electric generating plants in order to improve the ability of  
5 government and the affected industry to engage in effective  
6 planning.

7 Section 10. Definitions. For the purposes of this Act:

8 "New electric generating facility" means a new coal  
9 burning electricity generating facility that:

- 10 (1) has a nameplate capacity of 500 megawatts or  
11 greater used primarily to generate electricity for sale;
- 12 (2) is located in Illinois;
- 13 (3) burns Illinois coal;
- 14 (4) is sited adjacent to a coal mine; and
- 15 (5) employs qualified personnel.

16 "Qualified personnel" means employees who install,  
17 operate, and maintain generation, transmission, or  
18 distribution facilities within the State and have the  
19 requisite knowledge, skills, and competence to perform those  
20 functions in a safe and responsible manner in order to  
21 provide safe, reliable service.

22 Section 15. Purpose. It is the policy of the State to  
23 encourage increased electric generation capacity to meet the  
24 future needs for electricity in Illinois. To further that  
25 goal this Act provides partial financing for the construction  
26 of new electric generating facilities in Illinois.

27 Section 20. The Energy Conservation and Coal Development  
28 Act is amended by changing Section 8 as follows:

29 (20 ILCS 1105/8) (from Ch. 96 1/2, par. 7408)

30 Sec. 8. Illinois Coal Development Board.

1 (a) There shall be established as an advisory board to  
2 the Department, the Illinois Coal Development Board,  
3 hereinafter in this Section called the Board. The Board  
4 shall be composed of the following voting members: the  
5 Director of the Department, who shall be Chairman thereof;  
6 the Deputy Director of the Bureau of Business Development  
7 within the Department of Commerce and Community Affairs; the  
8 Director of Natural Resources or that Director's designee;  
9 the Director of the Office of Mines and Minerals within the  
10 Department of Natural Resources; 4 members of the General  
11 Assembly (one each appointed by the President of the Senate,  
12 the Senate Minority Leader, the Speaker of the House, and the  
13 House Minority Leader); and 8 persons appointed by the  
14 Governor, with the advice and consent of the Senate,  
15 including representatives of Illinois industries that are  
16 involved in the extraction, utilization or transportation of  
17 Illinois coal, persons representing financial or banking  
18 interests in the State, and persons experienced in  
19 international business and economic development. These  
20 members shall be chosen from persons of recognized ability  
21 and experience in their designated field. The members  
22 appointed by the Governor shall serve for terms of 4 years,  
23 unless otherwise provided in this subsection. The initial  
24 terms of the original appointees shall expire on July 1,  
25 1985, except that the Governor shall designate 3 of the  
26 original appointees to serve initial terms that shall expire  
27 on July 1, 1983. The initial term of the member appointed by  
28 the Governor to fill the office created after July 1, 1985  
29 shall expire on July 1, 1989. The initial terms of the  
30 members appointed by the Governor to fill the offices created  
31 by this amendatory Act of 1993 shall expire on July 1, 1995,  
32 and July 1, 1997, as determined by the Governor. A member  
33 appointed by a Legislative Leader shall serve for the  
34 duration of the General Assembly for which he or she is

1 appointed, so long as the member remains a member of that  
2 General Assembly.

3 The Board shall meet at least annually or at the call of  
4 the Chairman. At any time the majority of the Board may  
5 petition the Chairman for a meeting of the Board. Nine  
6 members of the Board shall constitute a quorum. Members of  
7 the Board shall be reimbursed for actual and necessary  
8 expenses incurred while performing their duties as members of  
9 the Board from funds appropriated to the Department for such  
10 purpose.

11 (b) The Board shall provide advice and make  
12 recommendations on the following Department powers and  
13 duties:

14 (1) To develop an annual agenda which may include  
15 but is not limited to research and methodologies  
16 conducted for the purpose of increasing the utilization  
17 of Illinois' coal and other fossil fuel resources, with  
18 emphasis on high sulfur coal, in the following areas:  
19 coal extraction, preparation and characterization; coal  
20 technologies (combustion, gasification, liquefaction, and  
21 related processes); marketing; public awareness and  
22 education, as those terms are used in the Illinois Coal  
23 Technology Development Assistance Act; transportation;  
24 procurement of sites and issuance of permits; and  
25 environmental impacts.

26 (2) To support and coordinate Illinois coal  
27 research, and to approve projects consistent with the  
28 annual agenda and budget for coal research and the  
29 purposes of this Act and to approve the annual budget and  
30 operating plan for administration of the Board.

31 (3) To promote the coordination of available  
32 research information on the production, preparation,  
33 distribution and uses of Illinois coal. The Board shall  
34 advise the existing research institutions within the

1 State on areas where research may be necessary.

2 (4) To cooperate to the fullest extent possible  
3 with State and federal agencies and departments,  
4 independent organizations, and other interested groups,  
5 public and private, for the purposes of promoting  
6 Illinois coal resources.

7 (5) To submit an annual report to the Governor and  
8 the General Assembly outlining the progress and  
9 accomplishments made in the year, providing an accounting  
10 of funds received and disbursed, reviewing the status of  
11 research contracts, and furnishing other relevant  
12 information.

13 (6) To focus on existing coal research efforts in  
14 carrying out its mission; to make use of existing  
15 research facilities in Illinois or other institutions  
16 carrying out research on Illinois coal; as far as  
17 practicable, to make maximum use of the research  
18 facilities available at the Illinois State Geological  
19 Survey, the Coal Extraction and Utilization Research  
20 Center, the Illinois Coal Development Park and  
21 universities and colleges located within the State of  
22 Illinois; and to create a consortium or center which  
23 conducts, coordinates and supports coal research  
24 activities in the State of Illinois. Programmatic  
25 activities of such a consortium or center shall be  
26 subject to approval by the Department and shall be  
27 consistent with the purposes of this Act. The Department  
28 may authorize expenditure of funds in support of the  
29 administrative and programmatic operations of such a  
30 center or consortium consistent with its statutory  
31 authority. Administrative actions undertaken by or for  
32 such a center or consortium shall be subject to the  
33 approval of the Department.

34 (7) To make a reasonable attempt, before initiating

1 any research under this Act, to avoid duplication of  
2 effort and expense by coordinating the research efforts  
3 among various agencies, departments, universities or  
4 organizations, as the case may be.

5 (8) To adopt, amend and repeal rules, regulations  
6 and bylaws governing the Board's organization and conduct  
7 of business.

8 (9) To authorize the expenditure of monies from the  
9 Coal Technology Development Assistance Fund, the Public  
10 Utility Fund and other funds in the State Treasury  
11 appropriated to the Department, consistent with the  
12 purposes of this Act.

13 (10) To seek, accept, and expend gifts or grants in  
14 any form, from any public agency or from any other  
15 source. Such gifts and grants may be held in trust by  
16 the Department and expended at the direction of the  
17 Department and in the exercise of the Department's powers  
18 and performance of the Department's duties.

19 (11) To publish, from time to time, the results of  
20 Illinois coal research projects funded through the  
21 Department.

22 (12) To authorize loans from appropriations from  
23 the Build Illinois Bond Purposes Fund, the Build Illinois  
24 Bond Fund and the Illinois Industrial Coal Utilization  
25 Fund.

26 (13) To authorize expenditures of monies for coal  
27 development projects under the authority of Section 13 of  
28 the General Obligation Bond Act.

29 (c) The Board shall also provide advice and make  
30 recommendations on the following Department powers and  
31 duties:

32 (1) To create and maintain thorough, current and  
33 accurate records on all markets for and actual uses of  
34 coal mined in Illinois, and to make such records

1 available to the public upon request.

2 (2) To identify all current and anticipated future  
3 technical, economic, institutional, market,  
4 environmental, regulatory and other impediments to the  
5 utilization of Illinois coal.

6 (3) To monitor and evaluate all proposals and plans  
7 of public utilities related to compliance with the  
8 requirements of Title IV of the federal Clean Air Act  
9 Amendments of 1990, or with any other law which might  
10 affect the use of Illinois coal, for the purposes of (i)  
11 determining the effects of such proposals or plans on the  
12 use of Illinois coal, and (ii) identifying alternative  
13 plans or actions which would maintain or increase the use  
14 of Illinois coal.

15 (4) To develop strategies and to propose policies  
16 to promote environmentally responsible uses of Illinois  
17 coal for meeting electric power supply requirements,  
18 including new power generation, and for other purposes.

19 (5) (Blank).

20 (Source: P.A. 89-445, eff. 2-7-96; 90-348, eff. 1-1-98;  
21 90-454, eff. 8-16-97.)

22 Section 25. The Illinois Coal and Energy Development  
23 Bond Act is amended by changing Section 2 as follows:

24 (20 ILCS 1110/2) (from Ch. 96 1/2, par. 4102)

25 Sec. 2. As used in this Act, "coal" or "coal resources"  
26 include coal, coal products or by-products, including the  
27 generation of electricity and synthetic fuels. "Development  
28 of fossil fuels and coal resources" includes research,  
29 development, and demonstration of improved methods of  
30 discovery, production, transportation, sale, distribution,  
31 conversion, utilization, end-use and waste disposal of fossil  
32 fuels and coal resources. "Development of alternative forms

1 of energy" includes research, development and demonstration  
2 for the purposes of promoting the adoption and utilization of  
3 energy systems, including but not limited to solar heating  
4 and cooling, solar passive, photovoltaic, wind,  
5 bioconversion, geothermal, hydroelectric, re-use of waste  
6 energy, re-use of waste materials, and any other energy  
7 system except that which is generated by nuclear energy.  
8 "Fossil fuels" include petroleum, petroleum by-products and  
9 natural gas.

10 (Source: P.A. 84-1452.)

11 Section 30. The General Obligation Bond Act is amended  
12 by changing Sections 2, 7, and 13 as follows:

13 (30 ILCS 330/2) (from Ch. 127, par. 652)

14 Sec. 2. Authorization for Bonds. The State of Illinois  
15 is authorized to issue, sell and provide for the retirement  
16 of General Obligation Bonds of the State of Illinois for the  
17 categories and specific purposes expressed in Sections 2  
18 through 8 of this Act, in the total amount of \$14,697,632,592  
19 ~~\$14,197,632,592~~.

20 The bonds authorized in this Section 2 and in Section 16  
21 of this Act are herein called "Bonds".

22 Of the total amount of Bonds authorized in this Act, up  
23 to \$2,200,000,000 in aggregate original principal amount may  
24 be issued and sold in accordance with the Baccalaureate  
25 Savings Act in the form of General Obligation College Savings  
26 Bonds.

27 Of the total amount of Bonds authorized in this Act, up  
28 to \$300,000,000 in aggregate original principal amount may be  
29 issued and sold in accordance with the Retirement Savings Act  
30 in the form of General Obligation Retirement Savings Bonds.

31 The issuance and sale of Bonds pursuant to the General  
32 Obligation Bond Act is an economical and efficient method of

1 financing the capital needs of the State. This Act will  
 2 permit the issuance of a multi-purpose General Obligation  
 3 Bond with uniform terms and features. This will not only  
 4 lower the cost of registration but also reduce the overall  
 5 cost of issuing debt by improving the marketability of  
 6 Illinois General Obligation Bonds.

7 (Source: P.A. 90-1, eff. 2-20-97; 90-8, eff. 12-8-97; 90-549,  
 8 eff. 12-8-97; 90-586, eff. 6-4-98; 91-39, eff. 6-15-99;  
 9 91-53, eff 6-30-99; 91-710, eff. 5-17-00.)

10 (30 ILCS 330/7) (from Ch. 127, par. 657)

11 Sec. 7. Coal and Energy Development. The amount of  
 12 \$663,200,000 ~~\$163,200,000~~ is authorized to be used by the  
 13 Department of Commerce and Community Affairs for coal and  
 14 energy development purposes, pursuant to Sections 2, 3 and  
 15 3.1 of the Illinois Coal and Energy Development Bond Act, and  
 16 for the purposes specified in Section 8.1 of the Energy  
 17 Conservation and Coal Development Act. Of this amount (i)  
 18 \$115,000,000 is for the specific purposes of acquisition,  
 19 development, construction, reconstruction, improvement,  
 20 financing, architectural and technical planning and  
 21 installation of capital facilities consisting of buildings,  
 22 structures, durable equipment, and land for the purpose of  
 23 capital development of coal resources within the State and  
 24 for the purposes specified in Section 8.1 of the Energy  
 25 Conservation and Coal Development Act, (ii) \$35,000,000 is  
 26 for the purposes specified in Section 8.1 of the Energy  
 27 Conservation and Coal Development Act and making a grant to  
 28 the owner of a generating station located in Illinois and  
 29 having at least three coal-fired generating units with  
 30 accredited summer capability greater than 500 megawatts each  
 31 at such generating station as provided in Section 6 of that  
 32 Bond Act, (iii) and \$13,200,000 is for research, development  
 33 and demonstration of forms of energy other than that derived

1 from coal, either on or off State property, and (iv)  
2 \$500,000,000 is for the specific purpose of partially  
3 financing new coal burning electric generating facility  
4 projects using Illinois coal and sited adjacent to an  
5 Illinois coal mine as provided in the Illinois Coal Mining  
6 and Electric Generation Act; the project may include the cost  
7 of transmission facilities and the costs of coal handling;  
8 the Department may consider stockpiled air emission credits  
9 as a factor in funding new generating facilities.

10 (Source: P.A. 89-445, eff. 2-7-96; 90-312, eff. 8-1-97;  
11 90-549, eff. 12-8-97.)

12 (30 ILCS 330/13) (from Ch. 127, par. 663)

13 Sec. 13. Appropriation of Proceeds from Sale of Bonds.

14 (a) At all times, the proceeds from the sale of Bonds  
15 issued pursuant to this Act are subject to appropriation by  
16 the General Assembly and may be obligated or expended only  
17 with the written approval of the Governor, in such amounts,  
18 at such times, and for such purposes as the respective State  
19 agencies, as defined in Section 1-7 of the Illinois State  
20 Auditing Act, as amended, deem necessary or desirable for the  
21 specific purposes contemplated in Sections 2 through 8 of  
22 this Act.

23 (b) Proceeds from the sale of Bonds for the purpose of  
24 development of coal and alternative forms of energy shall be  
25 expended in such amounts and at such times as the Department  
26 of Commerce and Community Affairs, with the advice and  
27 recommendation of the Illinois Coal Development Board for  
28 coal development projects, may deem necessary and desirable  
29 for the specific purpose contemplated by Section 7 of this  
30 Act. In considering the approval of projects to be funded,  
31 the Department of Commerce and Community Affairs shall give  
32 special consideration to projects designed to remove sulfur  
33 and other pollutants in the preparation and utilization of

1 coal, and in the use and operation of new or existing  
2 electric ~~utility~~ generating plants and industrial facilities  
3 which utilize Illinois coal as their primary source of fuel.

4 (c) Any monies received by any officer or employee of  
5 the state representing a reimbursement of expenditures  
6 previously paid from general obligation bond proceeds shall  
7 be deposited into the General Obligation Bond Retirement and  
8 Interest Fund authorized in Section 14 of this Act.

9 (Source: P.A. 89-445, eff. 2-7-96; 90-348, eff. 1-1-98.)

10 Section 99. Effective date. This Act takes effect on  
11 July 1, 2001."